

Message Text

UNCLASSIFIED

PAGE 01 CAIRO 03994 220716Z

21

ACTION NEA-09

INFO OCT-01 AF-06 EUR-12 ISO-00 IO-10 CIAE-00 DODE-00

PM-03 H-02 INR-07 L-02 NSAE-00 NSC-05 PA-02 PRS-01

SP-02 SS-15 USIA-15 AID-05 EB-07 CIEP-02 TRSE-00

STR-04 OMB-01 CEA-01 COME-00 XMB-04 SAB-01 SAM-01

AGR-10 /128 W

----- 115270

R 220600Z APR 75

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 3464

INFO AMEMBASSY ABU DHABI

AMEMBASSY ALGIERS

AMEMBASSY AMMAN

USINT BAGHDAD

AMEMBASSY BEIRUT

AMEMBASSY BONN

AMEMBASSY DAMASCUS

AMEMBASSY JIDDA

AMEMBASSY KHARTOUM

AMEMBASSY LONDON

AMEMBASSY MANAMA

AMEMBASSY MUSCAT

AMEMBASSY PARIS

AMEMBASSY RABAT

AMEMBASSY SANAA

AMEMBASSY TRIPOLI

AMEMBASSY TEL AVIV

AMEMBASSY TUNIS

AMEMBASSY DOHA

AMEMBASSY KUWAIT

UNCLAS CAIRO 3994

EO 11652: N/A

TAGS: ECON EG

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 CAIRO 03994 220716Z

SUBJECT: ECONOMY MINISTER STATEMENT

1. MOHAMED ZAKI SHAFEI, NEW MINISTER OF ECONOMY AND ECONOMIC COOPERATION (IN LATTER RESPONSIBILITY HE IS REPLACEMENT FOR TAHER AMIN) MADE FIRST POLICY STATEMENT APRIL 20. SHAFEI REITERATED PREVIOUS PROMISES TO LOOSEN RESTRICTIONS, RED TAPE AND QUOTE ALL OBSTACLES UNQUOTE TO FACILITATE INVESTORS INTERESTED IN EGYPT. HE STATED THAT ALL PROJECTS FOR WHICH EGYPT HAS ALREADY SIGNED WITH POTENTIAL INVESTORS WILL BE EXECUTED. HE SAID PRIORITY WOULD BE GIVEN TO THE UTILIZATION OF IDLE INDUSTRIAL CAPACITIES AND TO AGRICULTURAL SCHEMES AND THEIR DEVELOPMENT. HE REITERATED THAT PROJECTS WHICH FURTHER CURRENT DEVELOPMENT PLANS WILL BE GIVEN PRIORITY ATTENTION ALTHOUGH THE MINISTER INTENDS TO QUOTE PURSUE THE ROAD OF ECONOMIC LIBERALIZATION UNQUOTE. INVESTMENT PROJECTS GIVING QUICK YIELDS WILL BE EMPHASIZED.

2. SHAFEI SAID THAT IMPROVEMENTS IN UTILITIES AND SERVICES WOULD BE A FIRST REQUIREMENT AND THAT NEGOTIATIONS NOW UNDER WAY WITH KUWAIT DEVELOPMENT FUND FOR CONSTRUCTION OF ELECTRIC POWER STATION AT ABUKIR. THE MINISTER SAID THE BANKING SECTOR SHOULD BE ACTIVATED AND RESTRICTIONS MADE EASIER SO THAT CAIRO WOULD BECOME AN INTERNATIONAL FINANCIAL CENTER. THE MINISTER CONCLUDED HIS STATEMENT BY SAYING THAT ALL ARAB AND FOREIGN CAPITAL PROJECTS IN EGYPT ARE FULLY QUOTE GUARANTEED UNQUOTE AND THAT EGYPT HAS JOINED ALL AGREEMENTS IN WHICH INVESTMENTS ARE GUARANTEED WITHIN THE FRAMEWORK OF THE ARAB LEAGUE AND THE ECONOMIC UNITY COUNCIL.

3. COMMENT: SHAFEI'S STATEMENT REASSURES THOSE WHO HAD DEALT WITH TAHER AMIN THAT HIS ADMINISTRATION WILL LIVE UP TO PREVIOUS COMMITMENTS. SHAFEI'S STATEMENTS ARE MAINLY REITERATION OF TAHER AMIN'S PROMISES TO CLEAR AWAY RED TAPE AND GET PROJECTS MOVING ALTHOUGH WELL WITHIN WHATEVER ECONOMIC PLANS THE MINISTER OF PLANNING HAS DECIDED UPON. FINAL STATEMENT REGARDING GUARANTEE OF CAPITAL LOOKS PRIMARILY GEARED TOWARD CALMING POTENTIAL ARAB INVESTORS STILL FRIGHTENED BY POTENTIAL OF NATIONALIZATION.
EILTS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, ECONOMIC PROGRAMS, FOREIGN INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975CAIRO03994
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750140-0572
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750426/aaaaaxuz.tel
Line Count: 99
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 24 NOV 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 NOV 2003 by MaustMC>; APPROVED <30 DEC 2003 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ECONOMY MINISTER STATEMENT
TAGS: ECON, EG, (SHAFI, MUHAMMAD ZAKI)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006